

## ORDINANCE NO. 236-17

BY: **BRIAN BROCHETTI**  
(By Request – Treasurer)

AN ORDINANCE TO AMEND SUBSECTIONS (1) AND (1)(C) IN SECTION 184.06 “SOURCING NET PROFITS”; AMEND SUBSECTION (a) IN SECTION 184.10 “OHIO BUSINESS GATEWAY”; AND AMEND SUBSECTION (D) IN SECTION 184.13 “DECLARATION OF ESTIMATED TAXES”, IN CHAPTER 184 “MUNICIPAL INCOME TAX” OF THE CODIFIED ORDINANCES OF THE CITY OF PARMA, AND DECLARING AN EMERGENCY

WHEREAS, the Ohio General Assembly passed House Bill 49, which was signed by the Governor of the State of Ohio on June 30, 2017, which required all municipalities to comply with State law concerning local income tax collection and procedures, effective January 1, 2018;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PARMA, STATE OF OHIO:

Section 1. That Subsections (1) and (1)(C) in Section 184.06 “Sourcing Net Profits” of Chapter 184 “Municipal Income Tax” of the Codified Ordinances of the City of Parma, which presently reads as follows:

“184.06 “SOURCING NET PROFITS.”

...

(1) Gross receipts from the sale of tangible personal property shall be sourced to the City if the sale originates in the City. For the purposes of this division, a sale of property originates in the City if, regardless of where title passes, the property meets any of the following criteria;

...

(C) The property is shipped from a place within the City to purchasers outside the City, provided that the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.”

...

**are hereby amended to read as follows:**

“184.06 “SOURCING NET PROFITS.”

...

(1) Gross receipts from the sale of tangible personal property shall be sourced to the City ~~if the sale originates in the City. For the purposes of this division, a sale of property originates in the City~~ **ONLY** if, regardless of where title passes, the property meets ~~any~~ **EITHER** of the following criteria;

...

~~(C) The property is shipped from a place within the City to purchasers outside the City, provided that the taxpayer is not, through its own employees, regularly engaged in the solicitation or promotion of sales at the place where delivery is made.”~~

...

“184.13 “DECLARATION OF ESTIMATED TAXES.”

...

(D) On or before the fifteenth day of the twelfth month of the taxable year, 90% of the tax liability for the taxable year.”

**is hereby amended to read as follows:**

“184.13 “DECLARATION OF ESTIMATED TAXES.”

...

(D) **FOR AN INDIVIDUAL**, on or before the fifteenth day of the **FIRST MONTH OF THE FOLLOWING TAX YEAR**, 90% of the tax liability for the taxable year. **FOR A PERSON OTHER THAN AN INDIVIDUAL, ON OR BEFORE THE FIFTEENTH DAY OF THE TWELFTH MONTH OF THE TAXABLE YEAR, 90% OF THE TAX LIABILITY FOR THE TAXABLE YEAR.”**

Section 2. That a Section 184.10 “Ohio Business Gateway” in Chapter 183 “Municipal Income Tax” of the Codified Ordinances of the City of Parma, is hereby amended to read as Exhibit “A”.

Section 3. That the Council hereby expressly finds and determines that it does not concede the legality of H.B. 49’s municipal income tax provisions; Section 803.100 of H.B. 49; Section 718.04(A) of the Ohio Revised Code; or any other law that is the subject of the action pending in Case Number 2017 CV 10258 in Franklin County Court of Common Pleas, and that the City reserves its rights to continue its participation in and prosecution of said litigation, and any other litigation challenging the State’s authority to dictate municipal tax collection and administration, and that the adoption of this Ordinance shall not prejudice the claims of the City therein. That if any provision of the H.B. 49 municipal income tax provisions is found unconstitutional, or is stayed or enjoined, that the provisions adopted in Section 2 of this Ordinance shall likewise be stayed.

Section 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of the Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements.

Section 5. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety, and welfare of the City of Parma, and for the further reason due to the passage of House Bill 49, this measure is necessary in order to bring the City Code into compliance with State law, and the legislation must be adopted prior to February 24, 2018, and this Ordinance shall become immediately effective upon receiving the affirmative vote of two-thirds of all members elected to Council and approval of the Mayor, otherwise from and after the earliest period allowed by Law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
PRESIDENT OF COUNCIL

ATTEST: \_\_\_\_\_

CLERK OF COUNCIL

APPROVED: \_\_\_\_\_

FILED WITH  
THE MAYOR: \_\_\_\_\_

\_\_\_\_\_  
MAYOR, CITY OF PARMA, OHIO